Judge:	Hon. Samuel J. Steiner
Chapter:	Chapter 11
Hearing Date:	March 11, 2011
Hearing Site:	700 Stewart Street, #7206 Seattle, WA 98101
Hearing Time:	9:30 am.
Response Date:	March 7, 2011

UNITED STATES BANKRUPTCY COURT FOR THE WESTERN DISTRICT OF WASHINGTON AT SEATTLE

In re:

ADAM GROSSMAN,

Case No. 10-19817

DECLARATION OF RONALD G. BROWN IN SUPPORT OF MOTION TO CONVERT CASE FROM A CHAPTER 11 TO A CHAPTER 7

RONALD BROWN, declares under penalty of perjury of the laws of the State of Washington as set forth below.

I am over the age of 21 and am competent to make this Declaration.

I am the Court appointed Chapter 11 Trustee in this case.

The debtor's Schedule I lists monthly income of $2,200.00 derived from rental income from real property. The debtor's schedules list monthly expenses of $6,920.41. Thus the debtor is running at a monthly deficit of $4,720.41.

Schedule B, question 13 requires the debtor to disclose all interests in incorporated and unincorporated businesses. The debtor's answer is "see attachment". There is no attachment.

The debtor has disclosed no business to operate in the debtor's personal name. The only assets in this estate appear to be avoidance actions, disgorgement actions, and selling

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two or three parcels of real property with limited equity. There is no possibility for a successful reorganization. This is a liquidation case.

There is no reason to remain in a chapter 11 and incur the U.S. Trustee chapter 11 quarterly fees.

The exclusivity period of section 1121 of the Bankruptcy Code granting the debtor the exclusive right to file a chapter 11 plan of reorganization expired on December 19, 2010.

I see no reason to file a chapter 11 plan and thus do not intend to do so.

The debtor has not filed any monthly reports since the Petition Date.

I have no verification that the rental income from the real property located at 773 Metro Way, Redding, California ("773 Property") Property has been collected.

I have received no information if the 773 Property rent was collected, and if so, whether any expenses were paid from rents, whether the rent was remitted to the debtor, whether the rent went to the debtor or someone for the debtor's benefit, or any other myriad of options.

I contacted Cindy contacted Ms. Loegering in early January, 2011 just shortly after my appointment. I have been advised that Cindy Loegering, the property manager who collects the rent., is a friend of the debtor.

I talked to Ms. Loegering and advised her that she needed to turnover the January rent to me. She said it had already been disbursed. I asked her to provide me with an accounting and she agreed to do so. To date no accounting or any other communication of any sort has been provided to me by Ms. Loegering.

I called Ms. Loegering in relation to the February rent and received no return phone call.

I wrote to Ms. Loegering regarding the rents and she has not responded in any fashion. A true and correct copy of the letter I wrote to Ms. Loegering is attached hereto as Exhibit "1".

It is my opinion, using my best business judgment, that the creditors of this estate are better served by having this case converted to a chapter 7.

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Signed and dated this 22nd day of February, 2011, at Seattle, Washington.

Ronald G. Brown

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EXHIBIT “1”

Law Office of
RONALD G. BROWN
999 Third Avenue, Suite 2525
Seattle, WA 98104

Phone: (206) 342-7850 Fax (206) 342-7851

January 7, 2011

Cindy Loegering
Ace Property Mangement
P.O. Box 993115
Redding, CA 96089

In re: Adam R. Grossman, U.S. Bankruptcy Court No. 10-19817

Dear Ms. Loegering:

Thank your for speaking with me today by telephone. As I advised you, the above referenced bankruptcy proceedings are pending in the U.S. Bankruptcy Court for the Western District of Washington. I am the Chapter 11 trustee in the above referenced matter. A copy of the court notice of my appointment by the court is enclosed for your reference.

It is my understanding that you are managing two properties, 1679 Strause Lane and 773 Metro Way, both in Redding, California, which are under the control of the Bankruptcy Court. You advised me that the 1679 Strause Lane property previously had been rented, but now is vacant. You also informed me that January rent was paid for the 773 Metro Way property and that the money has been spent.

Please send a copy of your management agreement, a copy of the rental leases for each of the properties, and an accounting of moneys you have administered and spent during the time of your management of the properties. I am unable to determine my position whether your management services will continue until I have an opportunity to review this information. The bankruptcy was filed August 19, 2010. If you have paid or transferred any funds to Adam Grossman on or after that date, please send a statement of any payments or transfers and copies (front and back) of any checks and/or electronic transfers which may evidence the payments or transfers. Please send any future rent payments you may receive to my office, payable to Ronald G. Brown, Chapter 11 Trustee for Adam R. Grossman.

Sincerely,

Ronald G. Brown
Chapter 11 Trustee

RGB/by
Enclosure